1985.06.19 Pictures -130 Firstrun Screens Now Testing Music Videos Ahead of Feature, Variety, 319,8 - P7,38

INDIES IN STRONG PRODUCTION COMEBACK

17-Year Indie Production Pulse

(Based on indie-made features which received MPAA film ratings).

12 Mos. ended May 31	Indie** Sources	All*** Sources	Indie Share
1969*	30	277	10.8%
1970	133	410	32.4%
1971	246	505	48.7%
1972	239	490	48.8%
1973	294	542	54.2%
1974	357	557	64.1%
1975	292	449	65.0%
1976	312	462	67.5%
1977	299	425	70.4%
1978	225	343	65.6%
1979	189	337	56.1%
1980	205	342	59.9%
1981	171	312	54.8%
1982	192	349	55.0%
1983	154	315	48.9%
1984	144	311	46.3%
1985	170	320	53.1%

Notes: * — Data for 1969 only for seven months, since ratings system began Nov. 1, 1968.

** — Excludes production for major companies by affiliated indie units, also films acquired via negative pickup and other deals at various stages of production. However, includes many films later acquired for release by MPAA and other prominent distributors.

*** — Includes films from indies plus MPAA firms, Disney Prods., Orion (Filmways/AIP) and their affiliates.

Source: MPAA data, updated and arranged by *Daily Variety*.

TREND REVERSED WITH 170 FILMS

By TODD McCARTHY

Hollywood, June 18.

After a steep two-year decline, independent motion pictures' share of the total American film market rebounded strongly over the last 12 months.

In the year ending May 31, indie producers and distributors issued 170 films, up markedly from last year's 14-year low of 144 pics and the previous year's 154.

Healthy performance meant that indies once again returned to their customary share of more than 50% of all pictures rated by the Motion Picture Assn. of America.

During the past year, indies accounted for 53.1% of all films rated. From 1973-82, indies were responsible for anywhere from 54-70% of all pics given ratings, while over the past two years they declined to occupy a 46-49% share.

Part of the indie increase can be attributed to the fact that Cannon Films, leader among all the companies with 19 pics has fully returned to the indie fold after having had most of its films last year released by MGM/UA.

Cannon and the runnerup, New World, which led the field a year ago, together accounted for 37 titles, and not in recent memory have there been two indie companies so active in a given year.

Ranking third and fourth among indie distributors were two standbys, the Samuel Goldwyn Co. and New Line Cinema, with 10 and eight pictures, respectively.

Next two companies in line, how-

(Continued on page 31)

Show East Not Taking A Stand On Blindbid Issue, Topper Sez

Dispelling a perception voiced by major distribution execs that could preclude studio participation, the main organizer of the first Show East, set for Oct. 9-11 in Atlantic City, denied the newest exhibitor confab is designed to mobilize support for banning blindbidding in New Jersey.

"We're not bringing that into it at all. (Show East) is not a forum for that at all," vouched Montclair, N.J. theaterowner Paul Petersen, head of the state's National Assn. of Theater Owners affiliate. Exhibition and its lobbying forces have been pushing for an anti-blindbidding law in the Garden State since the late 1970s.

In Hollywood, a major film company exec who is a regular at the national and regional exhibitor conventions said his company would skip Atlantic City because of Show East's purported raison d'etre. Although distribution execs at two other studios hadn't heard of the blindbid issue vis-à-vis Show East, a Paramount sales exec said, "I wouldn't put it past them."

Petersen, who is launching Show East in order to lay the groundwork for an event similar to Sho-West, theorized that distribution's concern about a convention slant toward blindbidding legislation started a few months back when he said Motion Picture Assn. of America prez Jack Valenti wasn't going to be invited because he might lobby against the New Jersey bill.

"We didn't want to get into either side of the issue," Petersen said, adding that bills to outlaw blindbidding are in the hopper in both the state senate and assembly.

The agenda for the maiden convention at Resorts Intl. in Atlantic City is gradually falling into place, Petersen said. First night, Oct. 9, a premiere of a major film and a pour is scheduled.

Oct. 10 will be a day for business sessions, focusing on issues such as advertising. Organizers are also planning a banking panel, Petersen said, while sponsorship of feeds and

(Continued on page 40)

Mull Teletronics Sale

VCA/Technicolor has retained Bear Stearns & Co. to explore the possible sale of its Teletronics unit, the major videotape production and postproduction facility founded in Gotham in 1968. VCA/T said it took the action as a result of frequent inquiries by outside interests.

Sale of Teletronics, VCA said, would be consistent with management's efforts to focus the company's resources on videocassette duplication, its basic business.

Student Pic Awards Given In Hollywood

Hollywood, June 18.

Winners of the 12th annual Student Film Awards received honors Sunday (16) evening at the Academy of Motion Picture Arts & Sciences.

William G. Kopp, a student at California Institute of the Arts and a winner last year, won the animation achievement award for "Observational Hazard."

Robert Henson and Doron Schlair from New York U. took the documentary achievement award for "Burley: Growing Tobacco In America."

Camille Thomasson from the School of Cinema/Television at the U. of Southern California won the dramatic achievement award for "Heroes."

Two documentary merit awards were voted, to Kathryn Johnston and Iain C. Stoble from the U. of

(Continued on page 31)

130 Firstrun Screens Now Testing Music Videos Ahead Of Feature

More than 130 firstrun screens in 26 key U.S. markets have been signed up by a New York-based distributor of contemporary music clips for a month-long test measuring the effectiveness of an intensive campaign cross-promoting records and pics.

On June 7, 132 screens operated by circuits as well as indie exhibs began unspooling one of five pop/rock shorts, supplied in 35m Dolby prints by Music Motions in Gotham, ahead of major summer releases such as "Rambo," "A View To A Kill," "The Goonies" and "Perfect."

Per prez Tom Hayes, Music Motions acquires short music videos that were shot on 35m film and distributes the prints to movie theaters as a promotion. Included in the current test batch are Sade's "Smooth Operator," the single from the artist's platinum album; Kool & The Gang's "Misled," Ricky Skaggs' "Country Boy," Barbra Streisand's "Emotion" and Rick Springfield's "Bop Til You Drop."

Execs at Music Motions, some of whom once worked at MTV, acknowledge their primary aim is to heighten visibility for the music clips, presumably a direct boost to record sales. But they wouldn't have been able to enlist the exhibition industry's participation if the door to profits didn't swing both ways.

Radios Promos

Given the clip distrib's modus operandi, theater owners are in line for loads of free publicity. Theaters and their program of clip and feature are mentioned on local FM contemporary hit radio stations enlisted by Music Motions. Participating local record stores post similar information directing their customers to the theaters.

Pam Henning, firm's advertising and promotion v.p., said the test is intended to "get the theater's staff used to the program" and to put the promotional tricks through a dry run.

Besides the radio and record retail tie-ins, the company provides theaters with materials such as decals, buttons, ad slicks, stills, posters, patron response cards and press releases with blanks for specific market info.

The 132 screens in the test represent a geographic and demographic cross-section of the 2,000 screens which Hayes said are "willing and

(Continued on page 38)

Showbiz Expo Striving To Broaden Its Appeal

Hollywood, June 18.

A closed-door symposium of top-level entertainment company execs and an address on the industry's role in the California economy will mark Showbiz Expo '85's shift away from exclusive showcasing of computer software for all phases of the business toward a more traditional trade forum.

The symposium, hosted by Financial and Administrative Management Executives in Entertainment (FAME), will kick off the three-day event in Santa Monica June 27. Groomed as a "summit meeting" of execs, the three-hour session will invite expo registrants to expound on business issues ranging from advertising budgets to profit participation/reporting.

To enable speakers as well as moderators to speak frankly on a variety of touchy, if not incendiary, issues such as residuals and distribution accounting, Showbiz Expo officials said the FAME game will be closed to the press and tape recording/transcription plans will be omitted.

A three-pronged address on the film, video and music industry's "image" in the state June 28 will start with California Film Office director Lisa Rawlins talking about the sometimes-fragile bond between Hollywood and communities serving as locations.

While Showbiz Expo organizers might hope for controversy, the Film Office said Rawlins is not going to blast anyone in the industry for "trampling on somebody's daisies." Instead she'll focus on the office's role as an "ombudsman" and facilitator between locations and production companies.

Rawlins' talk will be supplemented by UCLA urban planning prof Susan Christopherson, who will discuss the economic effects of runaway production and compare the industry with other U.S. industries, and human resources consultant Bob Proctor.

Transition Event

As the transition event between their Micro(computer) Show last year and the planned 1986 event equally devoted to business and computers co-organizer Bob Lasiewicz said Showbiz Expo '85's agenda breaks down to one-third business-related topics and two-thirds technology-related affairs.

Some 82 vendors have reserved exhibition space at the Santa Monica Civic Auditorium (95 would be a sellout at $10 per square foot, according to the organizers). Over two dozen software demonstrations (each about 40 minutes) can be viewed on a 20-foot video projection system through the course of the expo.

One such demo will illustrate a budget-scheduling software program from producer-director Michael Crichton's firm, Company-C. Crichton, who developed the program for himself and then marketing it for the industry, also happens to be the expo's keynote speaker at the opening day luncheon.

Proctor, a former human resources executive at Paramount, foresees a lively dose of industry interest in the move to personal computer use in studio offices. The shift to desktop brains is less expensive, he said, and it enables office managers to make their own choices rather than having to rely on the studio's data processing department.

Lasiewicz and coorganizer Nalini Kouwenhoven gave some samples of the expo's showcasing of database systems applicable to all corners of the industry. One is for concert promoters and booking agents who can receive info on nationwide venues and availabilities. Another lists cast and credits of all sorts of product and programs, as well as availability of literary properties.

Locations Bank

And yet another database system will enable location scouts to punch into a computer roster of locations around the country. This system will enlist the help of film commissioners, who will ostensibly have terminals in their offices in order to

(Continued on page 26)

Goodson Theater Ready For Tuesday Christening

New York City Mayor Edward I. Koch, cultural commissioner Bess Myerson and tv pioneer Mark Goodson will join Tuesday (25) for the christening of the recently upgraded screening room at the Dept. of Cultural Affairs building on Columbus Circle.

The chamber, equipped with state-of-the-art film and video projection gear for up to 154 viewers, is named the Mark Goodson Theater after the man who put up the $200,000 for the renovation. The 2 Columbus Circle structure, incidentally, was a gift to the city from Gulf & Western, Paramount parent situated across the circle.

Preston Robert Tisch, Loews Corp. chief and chairman of the N.Y. convention and Visitor's Bureau, and Patricia Reed Scott, director of Mayor's Office of Film, Theater and Broadcasting, are also cohosting the ribbon-cutting. Ruth Burell-Brown is handling room's booking inquiries.

Foreign Sales Agents

(Continued from page 5)

offices and Beverly Hills homes. Others, by Hollywood standards, made "a good living."

Hollywood became their mecca. That's where the indie producers made their pictures. That's where the deals were made. That's where the new money men — real estate developers, oil men, entrepreneurial types of all kinds — went to become part of showbiz.

Others invested for various tax reasons. A few came to make a killing, convinced filmmaking had become fail-safe because of foreign guarantees and ancillary opportunities.

Tyros And Vets

Joining the milieu were dedicated, wide-eyed young filmmakers fresh out of university film schools who hocked the family jewels to put together an action or horror pic. Not to be forgotten were the established indie producers who were able to raise money on their own for various projects.

It all added up to a flow of indie-made pictures — mostly mediocre, but apparently suitable for the action-oriented markets of Europe, Latin America and the Far East.

They were the grist for the indie foreign sales agents who convinced the indie producers that the territory-by-territory sales route was the way to go, thus avoiding the cross-collateralization dangers of a major company foreign release.

There appeared to be enough action to go around. Two or three pictures a year seemed enough to keep an indie sales agent happy. No one became a millionaire, but there weren't any paupers either. The overhead, in most cases, was modest and a good deal of the expenses came off the top before the producer could claim his share.

The Shoe Drops

Then, as they say, the bomb dropped. Well, not exactly, but a series of developments over a five-year period — inflation, the world-wide economy in general, new technology, changing tastes in film fare, the hard dollar, failure to recognize the changes in the declining foreign market — appear to have come to a head and apparently has placed a number of indie sales agents on the endangered species list.

After three generally unsuccessful markets — Milan in October 1984, Los Angeles in March of this year and the early May outing in Cannes — the panic button is being pushed by a number of indie firms that failed to take note of the trend.

Conversely, companies that could read the handwriting, through a combination of circumstances, have emerged as industry giants in their particular fields.

Beginning Of The End

The beginning of the decline of the indie foreign sales agent may well have started at the market of the 1980 Cannes Film Festival when American sellers, piqued by the high cost of doing business there and irritated by the ripoffs, decided to organize an American Film Market in Los Angeles.

Nobody thought it could be done, but under the astute direction of founding president Robert Meyers, a market and an association were organized. Operating without federal, state or city funds, Meyers and his associates broadened the scope of the participants, going after mini-majors, divisions of the major companies, independent producers who handle their own foreign sales, foreign government film units (Australian Film Commission, etc.) and so-called non-sponsoring industry affiliates.

Aim was twofold: to raise sufficient coin to put on a market in L.A. and to give the organization power and prestige via the presence of the mini-majors and the majors.

With so many diverse units now part of the L.A. market, efforts were made to democratize the association, so the big firms would not lord it over the indies. Restrictive rules on promotion and entertaining were set and there were behind-the-scenes efforts to downgrade members' participation at Cannes.

The American Film Market got off the ground and it was successful, although AFM officials tended to exaggerate the amount of business written. It became an important market, but it couldn't wipe out Milan or Cannes, a factor that resulted in considerable squabbling among AFMA members when it came to setting the date for the L.A. market.

As costs rose and foreign business declined, members — particularly the indies (as distinguished from the corporate units) — began to scream about the cost of participating in three markets.

Perhaps more significant to the indies was the loss of product they represented when there was no American Film Market.

With a market in their own back yard, a number of Hollywood-based producers, who previously turned their pictures over to the indie sales agents to sell for a commission, decided to try it on their own.

They may not have known the intricacies of doing business in Milan or Cannes, but they felt they had nothing to lose by giving it a shot in L.A.

No Stopping 'Em

The L.A. market apparently intrigued a lot of others interested in selling product overseas (tv syndicators and homevid firms, for example). Many AFMA members wanted to keep them and the theatrical producers out, but someone brought up the antitrust issue.

Director and officials of AFMA cringed at the thought that they could be held personally responsible should lawsuits result. As a result, the association grew to 83 members.

More Than A Market

Meanwhile, someone got the idea that the organization should be more than a market and should function as an international association, perhaps in the fashion of the Motion Picture Assn. of America.

Jonas Rosenfield was retained as executive director and AFMA, and got interested in piracy, censorship, relationships with film bodies abroad, arbitration, collections and establishing a liaison with Washington, D.C.

At the same time, the sole owner-operators found it tougher and tougher to get product. The foreign market continued to decline, going under the 20% mark in many instances.

In order to survive, a stake in the domestic return was needed. They had to find ways to produce or cause pictures to be made so they could retain the worldwide sales rights.

Sales to homevideo operators abroad helped many to survive for a few years, but they discovered only recently that it was only a band-aid operation.

Nobody wanted the pictures they offered anymore — the low-budget action-adventure, horror or sex-oriented items. The middle-range pictures that Canadian money provided also failed to catch fire. Australian and Brazilian pictures ditto.

The effect of homevid and the hard dollar made overseas distribs extremely cautious. Prices came down. Pictures were turned down. Sources of supply dried up.

Latest Blow

A new blow for the indie is the output deals the well-heeled firms — Orion, CBS Prods., PSO et al. — are making with the key foreign distributors.

Firms making these arrangements hail it as an asset, but in many cases it's a face-saving arrangement that assures the release of the company's output rather than having it sit in a vault if it fails to sell on a picture-by-picture basis. These new arrangements limit the access of the indies even if they have the pictures to place.

Symptomatic of the change in the foreign market is the restructuring of the American Film Marketing Assn. that is about to take place. AFMA, if the tedious details are worked out, would become an association open to certain companies which meet the "country club" admission rules.

The association, in turn, would be the sponsor of a market open to all ready to pay the rental space, as in Cannes or Milan, and with no restrictions on promotional efforts or entertainment.

How to overcome the problem of three markets in an era of declining business is still a toughie.

More difficult to determine is the path the indies who formed the American Film Market will take to survive under present conditions.

Dan Gelfand has joined the Samuel Goldwyn Co. as advertising manager, capacity in which he has worked at New World Pictures since 1983. He will oversee creation of ad-promo materials for film and tv distribution.

Music Video Test

(Continued from page 7)

ready for us to provide (them) with prints on a sponsored basis."

Sales and marketing v.p. Denise Battaglia added that the firm also is launching the test "for the benefit of a national sponsor we're courting." Sponsorship is vital to expanding the costly program of distributing the clips, or "zaps," to additional theaters.

The record companies (Portrait for Sade, Epic for Skaggs, Polygram for Kool, Columbia for Streisand and RCA for Springfield) are not providing financial assistance to Music Motions, but are cooperative and "enthusiastic" about the potential visibility for their artists, Hayes said.

Battaglia said the initial test started this week in key markets from the greater Los Angeles area and San Francisco to the New York metro area and upstate N.Y. In-between markets in the survey include Atlanta, Chicago, Dallas, Nashville and the major cities in the Carolinas, Arizona and other states.

Music Motions shipped the "zaps" to the theaters except for the New York-area sites, which Hayes serviced himself with the aid of a van. He added that the company, also a producer, is exploring similar forays into Canada and the U.K.

CinAmerica Bid

(Continued from page 3)

close that the underwriter for the limited partnership, Marsh & Co. of San Francisco, was "insolvent," according to the SEC.

The SEC action contained no fines against Nielsen or Gillingham, although both are prohibited from future securities laws violations.

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